

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

January 23, 1998

**CORRECTED ORDER APPROVING
CHANGES TO TERMS AND
CONDITIONS**

BANGOR HYDRO-ELECTRIC COMPANY
Proposed Terms and Conditions
to Provide for Private Line
Maintenance Program

Docket No. 97-409

BANGOR HYDRO-ELECTRIC COMPANY
Proposed Terms and Conditions
to Provide for Maintenance of
Private Line Extensions and
Service Drops

Docket No. 97-688

WELCH, Chairman; NUGENT and HUNT, Commissioners

In this Order we approve changes to Bangor Hydro-Electric Company's (BHE) terms and conditions that introduce a payment option (known as Private Line Utility Support Program, or P.L.U.S.) for maintenance of "privately owned lines" and that clarify ownership of and maintenance responsibility for those lines.

Under the first filing (Docket No. 97-409) BHE has proposed to implement a maintenance plan (P.L.U.S.) for those customers who are responsible for the maintenance of "private owned lines," a category that includes line extensions serving a single customer on private property and for long service lines described in former and present section 3-J of BHE's Terms and Conditions. Customers pay a monthly per-pole charge for P.L.U.S. BHE has also included time and material rates in its terms and conditions for customers who have maintenance responsibilities, but who do not participate in P.L.U.S.

The second filing (Docket No. 97-688) more precisely defines the lines for which customers bear maintenance responsibility. In particular, it reimposes an ownership and maintenance responsibility on a category of private lines (long service drops at primary voltage) that were included a prior version of section 3-J of BHE's terms and conditions. Section 3-J presently states that customers own and have the obligation to maintain and replace poles and some of the circuitry on "long service drops" that are at secondary voltage. Prior to March 6, 1990, that provision applied to all long service drops, whether they were primary or secondary voltage.

As discussed in *John Nevius v. Bangor Hydro-Electric Co., Appeal of CAD Decision*, Order Opening Investigation and Reversing Ruling of the Consumer Assistance Division (August 8, 1997), BHE amended section 3-J on March 6, 1990 (as part of a comprehensive revision of its line extension terms and conditions) and restricted its applicability to long service drops at secondary voltage. The former (pre-March 6, 1990) version of section 3-J made clear that customers owned and were responsible for maintenance of all long service drops, both at primary and secondary voltage. (Primary voltage lines constructed after March 6, 1991 are considered line extensions subject to section 5 of the Terms and Conditions which states that where such a line serves a single customer, the customer will own and must maintain the line unless the Company has taken ownership.)

New section 3-K remedies the omission and states that lines constructed pursuant to both the prior and present versions of section 3-J are owned by customers and that customers are responsible for those portions described in section 3-J. New section 3-K also includes the language of former section 2-J as it existed prior to March 6, 1990.

Our Staff has reviewed the P.L.U.S. provisions, the monthly rates, and the time and material charges and have determined that the Company has accurately calculated monthly rates based on its recent average historical costs and current materials prices for maintenance, including tree-trimming where necessary, and replacement of fallen or damaged poles. We therefore will approve those provisions.

We also find that the applicability revisions in section 3-K are reasonable. It revives a policy that was in effect prior to 1990 revisions and that apparently was eliminated inadvertently. With the implementation of section 3-K, Bangor Hydro's terms and conditions treat all similarly situated customers (those served by various types of "privately owned lines" as defined in the terms and conditions) in the same manner. That treatment is consistent with policies that we approved in 1990 for most such customers. However, we do not find that it would be reasonable to apply the revised policy to persons that suffered damage to poles or wires from the ice storm of January 7-9, 1998, while the version of section 3-J that became effective on March 6, 1990 was still in effect. Accordingly BHE shall file a further amendment to its terms and conditions making clear that the portion of new section 3-K that applies former (pre-March 6, 1990) section 3-J to secondary long service lines constructed prior to that date, will not apply in cases of damage caused by the ice storm of January 7-9 of 1998, provided that the damage is reported to BHE prior to July 15, 1998. Such damage will, of course, be subject

to the accounting order concerning ice storm damage that we issued on January 15, 1998, in Docket No. 98-019.

Pursuant to discussions between Staff and the Company, several changes have been made to all of the originally filed pages. Replacement pages and one new page were filed on January 6, 1998 and one page has been withdrawn. The ordering paragraphs below indicate the filing date of the pages we are approving by this Order.

Accordingly, we

O R D E R

1. That Suspension Order No. 2 (in Docket No. 97-409) issued on October 27, 1997, is lifted and Bangor Hydro-Electric Company's terms and conditions consisting of MPUC No. 4, Page 17, Original; and Page 18, Original (replacement pages filed with this Commission on January 6, 1998) are effective on January 23, 1998;

2. That Bangor Hydro-Electric Company's terms and conditions consisting of MPUC No. 4, Page 7A, First Revision, filed on January 6, 1998 in Docket No. 97-409 is approved effective January 23, 1998;

3. That Bangor Hydro-Electric Company's terms and conditions consisting of MPUC No. 4, Page 19, Original, filed in Docket No. 97-409 has been withdrawn and is therefore not approved;

4. That Suspension Order No. 2 (in Docket No. 97-688), issued on January 16, 1998, is lifted and Bangor Hydro-Electric Company's terms and conditions consisting of MPUC No. 4, Page 5B, Original (replacement page), filed with this Commission on January 6, 1998, are effective on January 23, 1998; and

5. That Bangor Hydro-Electric Company's terms and conditions consisting of MPUC No. 4, Page 5C, Original, filed on January 6, 1998 in Docket No. 97-688, is approved effective on January 23, 1998; and

6. That Bangor Hydro-Electric Company shall file a term and condition stating an exception for damage caused by the ice storm of January 7-8, 1998, as described in the text above. We delegate to the Director of Technical Analysis the authority to approve that filing.

Dated at Augusta, Maine this 23rd of January, 1998.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
 Nugent
 Hunt

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of adjudicatory proceedings are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 6(N) of the Commission's Rules of Practice and Procedure (65-407 C.M.R.11) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which consideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320 (1)-(4) and the Maine Rules of Civil Procedure, Rule 73 et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320 (5).

Note:The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.